

**California Franchise Tax Board  
Protective Claims Status Update  
October 2005**

**I. Summary of Protective Claims**

We received the following protective claims in connection with our Tax Amnesty Program:

<b>Program</b>	<b>Taxpayers</b>	<b>Tax Years</b>	<b>Amount (in millions)</b>
Bank and Corporation Tax	631	1,849	\$3,481
Personal Income Tax	201	302	\$61
<b>Total</b>	<b>832</b>	<b>2,151</b>	<b>\$3,542</b>

- A. ***Taxpayers:*** Of the 832 taxpayers, 111 corporations were responsible for \$3 billion (85%) of the protective claims.
- B. ***Tax Years:*** Of the protective claims filed for tax years 1979 to 2002, \$2 billion were attributable to tax years 1999 and prior.
- C. ***Open Claims:*** Of the protective claims, about 68% are in Audit, 21% in Protest, 2% in Appeals, and 9% in Settlement.
- D. ***Closed Claims:*** Of the \$104 million in resolved protective claims for 95 taxpayers, \$95 million was retained by FTB and \$8 million returned to taxpayers.

**II. Status Report**

- A. ***Audit Acceleration:*** Audits are being completed by May 2006, unless deferral requested by taxpayers, tax shelter issues, or pending federal audits.
- B. ***Protective Claims Refunds:*** Taxpayers may request protective claim deposits be refunded prior to a final liability by submitting a written request to:

Franchise Tax Board  
389AMN – Protective Claim  
P.O. Box 942867  
Sacramento, CA 95267-8888

Refunds will be processed within 30 days. (Note: Any outstanding balance may be assessed the amnesty penalty.)

- C. ***FTB Website:*** Look for more information on our FTB website on Amnesty/Protective Claims including Q&A.